

# GOVERNMENTAL OPERATIONS

Agency 163

## Consolidated Technology Services

### Recommendation Summary

Dollars in Thousands

	Annual FTEs General Fund State	Other Funds	Total Funds
<b>2013-15 Expenditure Authority</b>	290.4	230,086	230,086
<b>Total Maintenance Level</b>	294.9	244,421	244,421
Difference	4.5	14,335	14,335
Percent Change from Current Biennium	1.5%	6.2%	6.2%
<b>Performance Changes</b>			
Align Expenditures with Revenues		(11,732)	(11,732)
Storage Efficiencies		(2,468)	(2,468)
Long Distance Technology Efficiencies		(930)	(930)
Equipment Maintenance Contracts #		(200)	(200)
Eliminate Online Directory		(178)	(178)
Discontinue Unisys Mainframe		(4,400)	(4,400)
End Software Assurance and Vitalnet Services		(368)	(368)
Reduce 24/7 Support	(11.0)	(1,533)	(1,533)
Identity Management	4.0	889	889
Financial and Application Support	14.0		
Information Technology Alignment Transfer #	251.0	92,182	92,182
Information Alignment Technical Correction #		22,509	22,509
Information Alignment Savings #	(9.0)	(2,397)	(2,397)
State Data Network		9,082	9,082
Disaster Recovery	1.0	3,240	3,240
CTS Rate Adjustment		(590)	(590)
Legal Services		1	1
Office of Chief Information Officer		65	65
CTS Central Services		1,724	1,724
DES Central Services		62	62
Core Financial Systems Replacement		14	14
Time, Leave and Attendance System		20	20
State Public Employee Benefits Rate		129	129
WFSE General Government Master Agreement		1,483	1,483
General Wage Increase for State Employees		884	884
<b>Subtotal</b>	250.0	107,488	107,488
<b>Total Proposed Budget</b>	544.9	351,909	351,909
Difference	254.5	121,823	121,823
Percent Change from Current Biennium	87.7%	52.9%	52.9%
<b>Total Proposed Budget by Activity</b>			
Administrative Activity	71.0	88,580	88,580
Data Network Services	66.0	37,028	37,028
Enterprise Server Technology	165.5	95,640	95,640

## GOVERNMENTAL OPERATIONS

	Annual FTEs	General Fund State	Other Funds	Total Funds
Enterprise Security Services	40.9		21,678	21,678
Enterprise Mainframe Computing	79.5		57,041	57,041
Voice Telephony Services	122.0		51,942	51,942
<b>Total Proposed Budget</b>	<b>544.9</b>		<b>351,909</b>	<b>351,909</b>

## PERFORMANCE LEVEL CHANGE DESCRIPTIONS

### Align Expenditures with Revenues

Expenditure authority for Consolidated Technology Services (CTS) is reduced to align expenditures with anticipated revenues. (Data Processing Revolving Account-Nonappropriated)

### Storage Efficiencies

The agency is terminating tailored storage agreements with the Department of Enterprise Services and Department of Labor and Industries, requiring those customers to switch to the standard metered rate. As a result of the rate conversion and a switch to cheaper storage technology, the agency will reduce rates for nearline and backup storage for all client agencies. (Data Processing Revolving Account-Nonappropriated)

### Long Distance Technology Efficiencies

The agency has changed long distance telephone technologies, resulting in lower costs and lower rates for client agencies. (Data Processing Revolving Account-Nonappropriated)

### Equipment Maintenance Contracts #

The agency will reduce annual costs by negotiating equipment maintenance contracts for up to five years instead of the current one-year limitation. (Data Processing Revolving Account-Nonappropriated)

### Eliminate Online Directory

Expenditure authority for the online directory assistance service (dial.wa.gov) is eliminated. (Data Processing Revolving Account-Nonappropriated)

### Discontinue Unisys Mainframe

The agency will discontinue the Unisys mainframe service. The current mainframe is nearing the end of its useful life and will not be replaced. Expenditure authority and associated revenue are removed from the agency's budget. (Data Processing Revolving Account-Nonappropriated)

### End Software Assurance and Vitalnet Services

The agency will terminate the Microsoft Software Assurance and Vitalnet services. (Data Processing Revolving Account-Nonappropriated)

### Reduce 24/7 Support

State data center staffing outside regular business hours will be reduced to achieve savings. (Data Processing Revolving Account-Nonappropriated)

### **Identity Management**

The agency will establish a new enterprise identity management service to enable state agencies to use cloud services. (Data Processing Revolving Account-Nonappropriated)

### **Financial and Application Support**

Expenditure authority is provided for staff who will perform in-house financial, desktop, network and application support for the agency, rather than purchasing these from the Department of Enterprise Services. (Data Processing Revolving Account-Nonappropriated)

### **Information Technology Alignment Transfer #**

As part of the statewide information technology alignment, the Office of the Chief Information Officer and the Department of Enterprise Services' Enterprise Technology Solutions Division are transferred to Consolidated Technology Services. In addition, expenditure authority from the Data Processing Revolving Account is transferred to three new accounts. (Data Processing Revolving Account-Nonappropriated, Consolidated Technology Services Revolving Account-State, Consolidated Technology Services Revolving Account-Nonappropriated, Shared Information Technology Systems Revolving Account-Nonappropriated, Statewide Information Technology Systems Maintenance and Operations Revolving Account-Nonappropriated)

### **Information Alignment Technical Correction #**

As a result of the statewide information technology alignment, expenditure authority is adjusted to account for desktop and network support activities transferred to Consolidated Technology Services from the Department of Enterprise Services. (Consolidated Technology Services Revolving Account-Nonappropriated)

### **Information Alignment Savings #**

The statewide information technology alignment will combine the Office of the Chief Information Officer, Department of Enterprise Services' Enterprise Technology Solutions Division, and Consolidated Technology Services. Savings will be realized from fewer management positions and lower administrative costs. (Consolidated Technology Services Revolving Account-State, Consolidated Technology Services Revolving Account-Nonappropriated)

### **State Data Network**

Expenditure authority is increased to reflect the full cost of the state data network, intragovernment network, and public government network. The agency will take over responsibility from agencies for management of and connectivity to these networks, enabling it to more efficiently manage enterprise network resource needs. The full cost of the networks will be allocated across state agency, local government, and other public entity users. (Data Processing Revolving Account-Nonappropriated).

### **Disaster Recovery**

The agency will migrate its disaster recovery service from its current location in Spokane to a private site in Eastern Washington. This initial investment will allow CTS to enhance disaster recovery for services such as mainframe, tape backup, Enterprise Active Directory, shared service email, Secure Access Washington, managed firewalls and Domain Name Services. This funding will also establish a redundant internet connection for clients. (Data Processing Revolving Account-Nonappropriated)

### **CTS Rate Adjustment**

Agency budgets are adjusted to reflect changes in Consolidated Technology Services (CTS) rates. Specific changes include a reduction in metered storage rates and elimination of tailored storage rates, elimination of redundant firewalls, reduction in long distance telephone rates, a general rate reduction to reflect administrative efficiencies within CTS, and enhancements to the identity management service.

## **GOVERNMENTAL OPERATIONS**

### **Legal Services**

Agency budgets are adjusted to update each agency's allocated share of charges and to reflect a reduction in legal service charges. The Attorney General's Office (AGO) will work with client agencies to implement stricter policies and best practices regarding utilization of its services to achieve lower legal bills.

### **Office of Chief Information Officer**

Agency budgets are adjusted to update each agency's allocated share of charges and to reflect increased billing levels for software subscriptions and office relocation.

### **CTS Central Services**

Agency budgets are adjusted to update each agency's allocated share of charges from Consolidated Technology Services (CTS) to reflect an increase in business continuity/disaster recovery costs and a new allocated charge for state data network costs.

### **DES Central Services**

Agency budgets are adjusted to update each agency's allocated share of charges and to align with anticipated billing levels from the Department of Enterprise Services (DES) in the 2015-17 biennium, including changes to the enterprise systems fee, personnel services, and small agency financial services.

### **Core Financial Systems Replacement**

Agency budgets are adjusted to align with anticipated billings from the Office of Financial Management in the 2015-17 biennium for core financial systems replacement planning through the One Washington project.

### **Time, Leave and Attendance System**

Agency budgets are adjusted to align with anticipated billings for the Time, Leave and Attendance system, including debt service and project completion costs.

### **State Public Employee Benefits Rate**

Health insurance funding is provided for state employees who are not represented by a union or who are covered by a bargaining agreement that is not subject to financial feasibility determination. Insurance for employees covered by the health insurance coalition is included in funding for their respective collective bargaining agreements. The insurance funding rate is \$913 per employee per month for Fiscal Year 2016 and \$947 per employee per month for Fiscal Year 2017. (General Fund-State, various other accounts)

### **WFSE General Government Master Agreement**

Funding is provided for a collective bargaining agreement with Washington Federation of State Employees (WFSE), which includes a general wage increase of 3 percent, effective July 1, 2015; a general wage increase of 1.8 percent for all employees who earn \$2,500 a month or more, effective July 1, 2016; a general wage increase of 1 percent plus a \$20 per month increase for all employees who earn less than \$2,500 per month, effective July 1, 2016; salary adjustments for targeted classifications; hazard pay for designated night crews; assignment pay in designated areas; and employee insurance. (General Fund-State, various other accounts)

### **General Wage Increase for State Employees**

Funding is provided for wage increases for state employees who are not represented by a union or who are covered by a bargaining agreement that is not subject to financial feasibility determination. It is sufficient for a general wage increase of 3 percent, effective July 1, 2015; a general wage increase of 1.8 percent for employees who earn \$2,500 a month or more, effective July 1, 2016; and a general wage increase of 1 percent plus a \$20 per month increase for employees who earn less than \$2,500 per month, effective July 1, 2016. This item includes both higher education and general government workers. (General Fund-State, various other accounts)

### ACTIVITY DESCRIPTIONS

#### **Administrative Activity**

Consolidated Technology Services (CTS) was established in 2011. CTS provides telecommunications and computer services to state, local, and tribal governments, educational institutions, and nonprofit organizations. This activity supports the following functions: agency management, internal application development and support, administrative support, legislative coordination, and performance management. (Data Processing Revolving Account-Nonappropriated)

#### **Data Network Services**

Data Network Services plans, implements, and manages data communication networks that provide connectivity between computers and customers who require access to the applications and data residing on those computers. CTS supports three governmental data networks on the statewide backbone. These include the Campus Fiber Network on the capitol campus in Olympia; the State Governmental Network (SGN) of state government agencies; and the Intergovernmental Network (IGN) that links cities and counties with state agencies. (Data Processing Revolving Account-Nonappropriated)

#### **Enterprise Server Technology**

CTS provides a broad range of server-based enterprise business solutions. These services improve efficiency for state government by providing hardware and software, staff expertise and support, data center facilities, and data storage. Specific services include server hosting, server management, electronic mailing lists, Web site hosting, data transfer security, content management for Web sites, portable digital assistants, online payment processing, video/audio streaming, and billing support. With these technologies customers can facilitate communications, integrate applications, gain quality and reliable server management, utilize report and document management capabilities, transfer sensitive data securely between organizations, and manage electronic mailing lists. (Data Processing Revolving Account-Nonappropriated)

#### **Enterprise Security Services**

CTS secures and protects the state's critical assets and information by providing statewide Internet protection, secure access services, and security consulting. (Data Processing Revolving Account-Nonappropriated)

#### **Enterprise Mainframe Computing**

CTS provides 24-hour, year-round shared and dedicated mainframe processing services for customers on IBM System/390 and Unisys computing platforms. These mainframe platforms process millions of transactions each day for state agencies and the public in the areas of social services, employment, corrections, business regulation, finance and retirement systems, health care, and natural resources. Computing services on both mainframe platforms include technical support services for shared and agency software products and output in multiple media formats. (Data Processing Revolving Account-Nonappropriated)

#### **Voice Telephony Services**

CTS offers a wide range of telecommunications services, including: local and long distance telephone service, Voice over Internet Protocol, long distance calling card service (SCAN Plus), conference calling services, interactive voice recognition, call center technical support, operator services and directory assistance, and advanced digital switching services in support of video conferencing. (Data Processing Revolving Account-Nonappropriated)